

REMARKS

Applicant respectfully requests reconsideration of the subject application as amended. In response to the Office Action mailed 08/04/08, Applicant is filing this amendment. Claims 1-3, 5-9, 12, 14-17 and 20 are still pending.

In the Office Action of 08/04/08, the Examiner has rejected claims 1-21 under 35 U.S.C. §103(a) as being unpatentable over Hanna (U.S. Patent 5,796,842) in view of Lee et al. (U.S. Patent 6,426,977; "Lee"). Applicant has reviewed the reasons for the Examiner's rejection of the pending claims and disagrees with the Examiner, especially in light of the current amendment. Applicant has amended the one remaining independent claim to clearly recite a first low pass filter and a second low pass filter. The claimed first low pass filter is at the input, which receives the left and right channel audio signals. Applicant submits that the filters **212, 214** at the input of Hanna are high pass filters (HPF). The claimed second low pass filter is at the output portion of the encoder, in which an output from the second low pass filter is coupled for processing with an output of the sum channel processing means and also coupled as feedback input to the wideband gain feedback loop and to the spectral gain feedback loop.

Applicant submits that Hanna and Lee fail to disclose these recited elements of claim 1. The remaining claims, being dependent on claim 1, also include claimed elements not disclosed in Hanna and Lee.

Accordingly, Applicant submits that the amended claims distinguish over the cited references and Applicant respectfully requests the Examiner to withdraw the 35 U.S.C. §103(a) rejection.

Accordingly, Applicant requests the Examiner to allow pending claims 1-3, 5-9, 12, 14-17 and 20, as amended.

In order to respond to the outstanding office action, Applicant is petitioning for one-month extension of time with payment.

If there are any fee shortages related to this response, please charge such fee shortages to Deposit Account No. 50-2126.

Respectfully submitted,

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